GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Industrial Promotion – Extension of Special Package of incentives to M/s. Berger Paints India Limited for their Expansion project in Anantapuramu District with an investment of Rs. 250 Crores under Industrial Investment Promotion Policy (IIPP) 2010-15 – Orders- Issued.

INDUSTRIES & COMMERCE (P & I) DEPARTMENT

G. O. Ms. No.78 Dated:01-06-2016.

Read the following:-

1. From M/s Berger Paints India Limited Letter dated: 26.03.2016.
2. Empowered Committee of Secretaries Meeting held on 29.03.2016.
3. State Investment Promotion Board Meeting held on 11.04.2016.
4. G.O Ms. No.78, Ind. & Com. (P & I) Dept., dt:15.09.2015 read with G.O Ms. No.58, Ind. & Com. (P & I) Dept., dt:03.05.2016.

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O R D E R:-

In the letter 1st read above, M/s Berger Paints India Limited have represented that they have invested Rs. 250 Crores in Hindupur area in its main state of art water based plant with initial capacity of 80,000 ton per annum and another paint plant in Gollapur are already operational. The company has plans to invest a further minimum Rs. 250 Crores over years in phases thus making it total investment of over Rs. 500 Crores. The company has been granted a VAT reimbursement of 50% over five years. The main competitor of the Company has been granted reimbursement of gross VAT/ gross SGST to the extent of 100% of eligible capital investment over 12 years from the date of commercial production for putting up a paint plant in the developed area of Vizag for a plant which is yet to come up. This has put the Company in serious disadvantageous and uncompetitive position. Therefore they have appealed for grant of the same subsidies and incentives as has been provided to its main competitor.

2. In the reference 2nd read above, the Empowered Committee of Secretaries has discussed the proposal of M/s Berger Paints India Limited and recommended to place it before the SIPB as per the decision of the last SIPB.

3. In the reference 3rd read above, the State Investment Promotion Board (SIPB) has discussed the proposal and decided to extend the incentives on the lines of Asian Paints for their Expansion project considering the employment potential and backwardness of the District.

4. Government after careful examination, hereby extend the following incentives which were extended to M/s. Berger Paints India Limited for their Expansion project in Anantapuramu District with an investment of Rs. 250 Crores under Industrial Investment Promotion Policy 2010-15 which were extended to M/s. Asian Paints :

(i) 100% reimbursement of gross VAT/ State Goods and Services Tax (SGST) of 100% of the eligible capital investment, for a period of 12 years starting from the date of commercial production, subject to the condition that M/s. Berger Paints India Limited achieves 70% of the proposed investment of Rs. 250 Crore within a period of (5) years from the commencement of construction. In the event of any further changes to the proposed GST of levy of any taxes of similar nature in lieu of VAT/SGST, the benefit envisaged herein shall continue. Total reimbursement would be scalled down to the extent of concessions (other than accelerated depreciation), if any, offered by the Government of India.

(P.T.O)

(ii) All the incentives as per the IIPP 2010-15 Policy.

(iii) Water will be given at Rs. 15/KL.

6. The Director of Industries/ the Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation, Government of Andhra Pradesh, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SOLOMON AROKIARAJ
SECRETARY TO GOVERNMENT & CIP

To
The Director of Industries, Government of Andhra Pradesh, Hyderabad.
The Vice Chairman & Managing Director, APIIC, Hyderabad.
M/s Berger Paints India Limited, through the Director of Industries,
Government of Andhra Pradesh, Hyderabad.
Copy to:
The Revenue (CT) Department.
The Revenue (Registration) Department.
The Energy Department.
The Irrigation (Reforms) Dept.
The Law (H) Department.
The Accountant General, Andhra Pradesh, Hyderabad
The Commissioner of Commercial Taxes, Hyderabad
The Chairman & Managing Director, APTRANSCO., Hyderabad
The Managing Director, APSPDC Ltd., Visakhapatnam
The District Collector, Anantapuramu.
The General Manager, District Industries Centre, Anantapuramu
The Zonal Manager, APIIC, Anantapuramu.
P.S. to Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Secretary to Government & CIP, Ind. & Com. Dept.
SC/SF.

//FORWARDED::BY ORDER//

SECTION OFFICER